

**Exhibit 1**

**\*THIS NOTICE REQUIRES ACTION ON OR BEFORE [insert date that is 40 days from  
date of entry of order granting procedures motion]\***

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,	:	PROMESA
	:	Title III
as representative of	:	Case No. 17-BK-3283 (LTS)
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,	:	PROMESA
	:	Title III
as representative of	:	Case No. 17-BK-3566 (LTS)
THE EMPLOYEES RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO,	:	
Debtor.	:	

**NOTICE OF (A) OBJECTIONS, PURSUANT TO BANKRUPTCY CODE  
SECTION 502 AND BANKRUPTCY RULE 3007, TO CLAIMS ASSERTED BY  
HOLDERS OF BONDS ISSUED BY EMPLOYEES RETIREMENT SYSTEM OF  
GOVERNMENT OF COMMONWEALTH OF PUERTO RICO AND (B) INITIAL**

<sup>1</sup> The Debtors in these Title III cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

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**PROCEDURES GOVERNING OBJECTIONS TO SUCH CLAIMS, INCLUDING DEADLINE TO FILE NOTICE OF PARTICIPATION**

You are receiving this notice because you have been identified as holding one or more of the bonds issued by the Employees Retirement System of the Government of the Commonwealth of Puerto Rico in 2008 (the “ERS Bonds”).

Please note that (i) the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) has filed objections, each dated March 12, 2019 [Case No. 17-bk-3283; Dkt. Nos. 5580 and 5586; Case No. 17-bk-3566, Dkt. Nos. 381 and 384] (together, the “Creditors’ Committee’s Objections”), to claims against ERS asserted by holders of ERS Bonds (the “ERS Bondholders”) and (ii) the Official Committee of Retired Employees of the Commonwealth of Puerto Rico (the “Retiree Committee”) has filed objections, dated April 23, 2019 [Case No. 17-3283; Dkt. No. 6482; Case No. 17-bk-3566, Dkt. No. 469] (the “Retiree Committee’s Objection”) and, together with the Creditors’ Committee’s Objections, the “Committees’ Objections”), to claims asserted by ERS Bondholders against ERS and the Commonwealth. The full text of the Committees’ Objections may be found on the Internet by using the following link: <http://cases.primeclerk.com/ERSClaimsObjections>.

Please further note that the Creditors’ Committee and the Special Claims Committee of the Financial Oversight and Management Board for Puerto Rico (the “SCC”) jointly commenced adversary proceedings (the “Actions”) numbered 19-355, 19-356, 19-357, 19-358, 19-359, 19-360, and 19-361 by filing complaints (the “AP Complaints”) against certain defendants (each defendant, an “AP Defendant”) to, among other things, recover moneys paid, prior to the commencement of ERS’s Title III case, on account of the ERS Bonds.<sup>2</sup> The AP Complaints may be found on the Internet by using the following link: <https://cases.primeclerk.com/puertoricoavoidanceactions/>

Please further note that the Financial Oversight and Management Board for Puerto Rico (the “FOMB”) filed an objection, dated May 22, 2019 [Case No. 17-bk-3283, Dkt. No. 7075] (the “FOMB Objection”), to the claim asserted by The Bank of New York Mellon, as Fiscal Agent for the ERS Bonds (the “Fiscal Agent”), against the Commonwealth.

The Creditors’ Committee, the Retiree Committee, the FOMB, and the SCC are hereafter referred to as the “Objectors.” The Committees’ Objections, the allegations in count one of the AP Complaints, the FOMB Objection, and any Additional Claim Objections (as defined in the Initial Objection Procedures) are hereafter referred to as the “Claim Objections.”

The Claim Objections seek to disallow and invalidate ERS Bond Claims (as defined in the Initial Objection Procedures), including on the ground that the ERS Bonds were issued *ultra vires*. **Subject to applicable appellate rights, if and to the extent the Court grants the Claim Objections in whole or in part, holders of ERS Bond Claims’ recovery on account of the ERS Bonds will be eliminated in whole or in part, and such holders will be forever barred**

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<sup>2</sup> If you are an AP Defendant, you will also receive a separate notice under the caption of the applicable Action.

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from asserting such claims against ERS and the Commonwealth, from voting on any plan of adjustment filed in ERS's or the Commonwealth's Title III Cases, and from participating in any distribution in ERS's or the Commonwealth's Title III Cases on account of such ERS Bond Claims. Thus, the Claim Objections may affect your rights. As explained in the next paragraph, you have the right to file a Notice of Participation if you wish to participate in the litigation of the Claim Objections. The Notice of Participation must be filed by [insert date that is 40 days after entry of the order granting the Procedures Motion] (the "Participation Deadline").

Please note further, that on \_\_\_\_\_, 2019 the United States District Court for the District of Puerto Rico (the "District Court") approved certain initial procedures with respect to the litigation of the Claim Objections (the "Initial Objection Procedures"). If you intend to participate in the litigation of the Claim Objections, you must follow the Initial Objection Procedures, which require, among other things, that you file with the District Court and serve by email a Notice of Participation by the Participation Deadline. A form Notice of Participation is provided herewith. **Instructions for filing the Notice of Participation with the District Court, including for those persons who are not represented by counsel, are set forth at the bottom of the form of Notice of Participation.**

**ABSENT PERMISSION GRANTED BY THE DISTRICT COURT UPON A SHOWING OF GOOD CAUSE, IF YOU (A) FAIL TO FILE A NOTICE OF PARTICIPATION OR (B) FILE A NOTICE OF PARTICIPATION AFTER THE PARTICIPATION DEADLINE, YOU WILL BE PROHIBITED FROM FILING SEPARATE PLEADINGS WITH RESPECT TO THE CLAIM OBJECTIONS, INCLUDING FILING ANY ADDITIONAL CLAIM OBJECTIONS.**

At this time, no briefing schedule has been established with respect to the Claim Objections in the ERS or Commonwealth Title III cases. **Please note, however, that a briefing schedule with respect some of the allegations in the Claim Objections is expected to be established in the near future.** Certain ERS Bondholders holding a large portion of the ERS Bonds are expected to oppose any attempt by the Objectors to disallow claims based on ERS Bonds. ERS Bondholders that file a Notice of Participation in accordance with the Initial Objection Procedures will have an opportunity, but are not required, to file a joinder to the briefs filed by certain ERS Bondholders that hold a large portion of the ERS Bonds or submit an additional brief with respect to the Claim Objections. Each ERS Bondholder, however, is responsible for protecting his or her own legal interests.

**If you provide an email address on your Notice of Participation, you will receive automatic email notifications when documents relevant to the Claim Objections, including the briefing schedules related thereto, are posted to: <http://cases.primeclerk.com/ERSClaimsObjections> (the "ERS Objection Website"). If you do not provide an email address in your Notice of Participation, you will not receive such automatic notifications and will need to visit the ERS Objection Website in order to view notifications and other pertinent documents.**

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Requests for Spanish-language versions of the Notice, Initial Objection Procedures and Notice of Participation form and any questions regarding this notice should be sent in writing to:

Paul Hastings LLP  
200 Park Avenue  
New York, NY 10166  
Attn: Douglass E. Barron  
[NoticeofParticipation@paulhastings.com](mailto:NoticeofParticipation@paulhastings.com)  
(212) 318-6690

**Las Objecciones a Reclamaciones tienen el propósito de rechazar e invalidar las Reclamaciones de Bonos SRE (según se definen en los Procedimientos Iniciales para Objecciones), incluyendo en la base de que los Bonos SRE fueron emitidos *ultra vires*. Sujeto a los derechos apelativos aplicables, si, y en la medida en que, el Tribunal conceda las Objecciones a Reclamaciones total o parcialmente, la recuperación de los reclamantes de Bonos SRE por cuenta de los mismos bonos se eliminará total o parcialmente, y estos reclamantes quedarán prohibidos para siempre de hacer valer dichas reclamaciones contra el SRE y el ELA, votar en cualquier plan de ajuste presentado en los Casos bajo el Título III del SRE o del ELA, y participar en cualquier distribución en los Casos bajo el Título III del SRE o del ELA por cuenta de las mismas Reclamaciones de Bonos SRE. Por tanto, las Objecciones a Reclamaciones pueden afectar sus derechos. Usted tiene el derecho de presentar un Aviso de Participación si desea participar en el litigio de las Objecciones a Reclamaciones. El Aviso de Participación tiene que ser presentado en o antes del [insertar fecha 40 días a partir de la notificación de la orden concediendo con lugar la Moción de Procedimientos] (la “Fecha Límite de Participación”). Las partes que tengan preguntas o deseen recibir copia de este aviso, los Procedimientos Iniciales para Objecciones y el Aviso de Participación en español deben enviar una solicitud por escrito a [NoticeofParticipation@paulhastings.com](mailto:NoticeofParticipation@paulhastings.com).**

The CUSIP numbers of the ERS Bonds affected by the Claim Objections are:

CUSIP
29216MAF
29216MAA
29216MAB
29216MAG
29216MAH
29216MAJ
29216MAC
29216MAK
29216MAL
29216MAD
29216MAM
29216MAN
29216MAP

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29216MAQ
29216MAE
29216MBA
29216MBB
29216MBC
29216MBD
29216MBE
29216MBF
<u>29216MBG</u>
<u>29216MBH</u>
29216MBJ
29216MAT
29216MAU
29216MAV
29216MAW
29216MAX
29216MAY
29216MAZ
29216MBL
29216MBM
29216MBN
29216MBP